efficiency norms, it is not price competitive, primarily because of high cost of hydrocarbon feed stock and raw material/inputs. In the case of nitrogenous fertilizers, plants in exporting countries are generally based on natural gas. As per available information, the cost of natural gas in those countries is around US $ 1 per million BTU or less, whereas in India the delivered cost is US $ 2 for the plants based on gas at land fall point and US $ 2.5 to 2.6 for the plants based on gas located on HBJ pipe line. The feed stock cost of the plants based on naphtha and fuel oil is still higher. The delivered cost of naphtha at the factory gate is more than US $ 7 and that of fuel oil is in the range of US $ 6 per million BTU. The reason for high production cost of urea in the country as compared to the international level is due to constraints in the availability of natural gas which is the preferred feed stock for production of urea. Efforts are under way to import Liquefied Natural Gas (LNG) for manufacture of urea, which is likely to be cheaper than naphtha, for manufacture of urea.

In regard to phosphatic fertilizers, the cost of Di-ammonium Phosphate (DAP) manufactured in India with imported intermediates works out higher than the landed cost for DAP itself.

CAG Audit of Private Fertilizer Companies

†4319. SHRI BRATIN SENGUPTA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether Government propose to get the accounts of private fertilizer producing companies audited by the Comptroller and Auditor General of India;

(b) if so, the facts in this regard and the reasons therefor;

(c) by when, the final decision in this regard is likely to be taken; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE) : (a) to (d) No, Sir. The Comptroller and Auditor General (CAG) does not carry out audit of the private sector companies. For verification of the cost data submitted by the companies in the context of determination of retention price of urea produced by the urea manufacturing unit, all the companies, whether in public or private sector, have to maintain their annual accounts that are audited by the Chartered Accountants. Certification by the Chartered Accountant/Cost Accountant of the company is

†Original notice of the question was received in Hindi.

a standard form of checking the accounts submitted by the company. Cost Data submitted by the urea units is subjected to various checks like notifications giving the details about the increase/decrease in prices of inputs, supporting invoices and applying the general principles of accounting and arithmetical accuracy. Allocation of costs are cross checked for accuracy and internal consistency from various sources like annual balance sheet and annual cost data.

New drug for diabetes

4320. SHRI P. PRABHAKAR REDDY : Will the MINISTER OF CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government's attention has been drawn to the newsitem, "New drug holds out hope for diabetes", appearing in the Times of India dated the 9th July, 2001;

(b) if so, the details of the new therapy and whether Government are satisfied about the efficacy of the new drug ; and

(c) what steps are proposed to be taken to give a wide publicity to medicine and permit large scale commercial sale/use thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE) : (a) to (c) Yes, Sir. It has been reported that the drug "Simvastatin" may help to prevent the progress of diabetes related eye ailments. The drug 'Simvastatin' is already available in the country as lipid lowering agent.

Co-ordination Committee on problems of Fertilizer Industry

†4321. SHRI GOPALSINH G. SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government had constituted a Co-ordination Committee during the last month, for extensive consideration of problems of fertilizer industry;

(b) if so, whether the said Committee has submitted its report to Government; and

(c) the action taken by Government so far, on the basis of the report of that Committee?

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†Original notice of the question was received in Hindi.